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SUBJECT: S/GWI PROJECT PROPOSALS - SWAZILAND

REF: 09 STATE 132094

¶1. In response to reftel, U.S. Embassy Mbabane appreciates the opportunity to submit four project proposals that seek to address the many challenges facing Swazi women. The proposals are presented by priority order. Post received over twenty proposals, and each one would greatly benefit the political, economic or social advancement of women. Post hopes that the four proposals submitted will be considered favorably, and that if any additional funds become available, Swaziland will be considered. If lesser funds are available for any of the projects, we would appreciate the opportunity to help the organization down-scale the project to meet the budget. Thank you for an extension on this submission, and we will be happy to address any questions you may have.

¶2. The post's coordinator for the Ambassador's Self-Help Grants, Military, and Federal Assistance will have project and financial oversight responsibility for all approved projects. Contact information: Vicky Mboka-Boyer, phone +(268) 404-6441 ext. 2016, or IVG +732-2016. All nominated projects support the Mission's Strategic Plan. A multi-office team evaluated the proposals to ensure that there was no overlap with other possible funding sources, such as PEPFAR or DRL, or regionally administered programs. All three projects would provide needed resources to complement Mission efforts to achieve the goals it shares with S/GWI.

¶3. Project #1 TechnoServe: Capacitating and providing working capital to the Golden Women knitting business, to create 200 new jobs for Swazi women.

¶A. PROBLEM STATEMENT

Economic and business leadership opportunities for women in Swaziland are limited and lag significantly behind those available to men. In Swaziland, only 23.5 percent of women hold formal employment positions compared to 39.6 percent for men. It is a testament to the leadership skills of women that they hold 30.2 percent of management and leadership positions in the private sector, but the number is declining (from 34.4 percent in 2000). Without a source of income, women often are not able to meet their basic living needs, provide for their families, educate their children, or make independent financial decisions. Moreover, although handcrafts are a leading industry in Swaziland, none of the country's major handcrafts businesses (e.g., Gone Rural, Ngwenya Glass, Rosecraft, Swazi Candles, etc.) are owned by a black woman.

The goal of the Golden Women knitting project is to address these problem areas. It would assist a target group of poor women who have received some knitting and crochet training but have lost their jobs due to the relocation of the employer. TechnoServe's goal is to provide the technical assistance, training, and working capital needed to expand the Golden Women knitting project as a means to making it a self-sustaining, Swazi-managed small industry.

¶B. SUMMARY OF PROPOSED PROGRAM

Golden Women is a woman-owned income generation business that has the potential to create 200+ fair-wage knitting and crochet jobs for Swazi women by the end of 2011. Twenty of these jobs would be

leadership and management positions.

The new jobs would empower women, who live primarily in rural areas, because it would provide them with income while enabling them to work from home, on their own schedules, and for the amount of hours they choose. Women in leadership positions would act as "site leaders," earning a higher wage, leading and training a group of twenty women each, and managing the group's cotton supply and money.

TechnoServe believes these goals are feasible and proposes to provide the assistance Golden Women needs to achieve them. Proposed activities include: employing a TechnoServe resource to act as the Golden Women business manager, develop business processes, and coordinate growth of the business; identifying and training a permanent business manager; coordinating training for knitters and site leaders; developing and implementing a sales and marketing strategy to grow the business's customer base; and passing on seed working capital to pay for initial increases in cotton costs.

Golden Women intends to be a self-sustaining business by the end of 2011. Its ambition is to invest its profits and use its business skills to continue to grow after that point. Indeed, a similar business operated in Zimbabwe for 15 years and employed about 5,000 women at its peak. Golden Women's long-term aspiration is to operate on that scale.

1C. PROJECT DESCRIPTION

Goal: The vision for Golden Women is to increase economic and leadership opportunities available to Swazi women, primarily rural women. Golden Women intends to create 200+ jobs in addition to the existing 100. Twenty of these jobs would be management and leadership positions, all held by women. Golden Woman also aspires to be the first 100 percent black woman-owned business to become a leader in Swaziland's handcraft industry. Once Golden Women has achieved this scale, TechnoServe projects that it will be able to operate sustainably without outside assistance. In the future, the business plans to reinvest its profits to enable further growth.

Golden Women is a very promising initiative because it has many keys to success in place:

A market exists to buy Golden Women's products: Golden Spiderweb, the business's core customer, is committed to working with Golden Women, and would like to increase order sizes. In addition, Baobab Batik regularly sources stuffed dolls, and Golden Women can leverage its relationships to sell more products locally. Other potential buyers have contacted Golden Women because they are interested in purchasing handknit products (e.g., A Jewish group in the U.S. has requested sample hand-knit Yamakas; a UK-based fashion designer requested that Golden Women produce hand-knit mohair jumpers).

Golden Women will be able to scale up quickly because it already has a partially trained workforce of an estimated 450 women who knot and/or crochet, and are desperate for work.

1D. ACTIVITIES

TechnoServe proposes to engage in the below activities, which are critical to enable Golden Women to achieve its goals. TechnoServe would dedicate a full-time resource to perform these activities:

Activity #1: Develop business processes, manage the business (1st 6 months), and train a business manager (after 6 months). These include developing streamlined business processes and/or systems for: customer communications and sales; data, analysis, and reporting; financial management (including profitability, costings, pricing, accounting, and payroll); human resources; inventory management; order management (e.g., production, quality control, distribution); purchasing; refinement of the business strategy; identifying in consultation with Golden Women a business manager to be trained to manage the business in accordance with the newly designed business processes. The business should operate self-sufficiently with this resource one year from the start of the project.

Activity #2: Implement a sales and marketing strategy in order to

sell to new customers by facilitating the development of a marketing strategy including a trading name, desired brand image, typical customer, etc. Marketing materials such as business card, label, logo, catalogue, web site will be designed and produced. A sales strategy will also be put in place. TechnoServ and Golden Women Director will attend SARCDA trade shows in August 2010 and March 2011.

Activity #3: Train knitters and group leaders: TechnoServe will assist Golden Women in developing these trainings. Training topics: knitting skills; the importance of quality control; basics of the business Site leaders - how to train and manage others; financial management; management of materials (e.g., cotton); how to ensure high quality results; how to communicate effectively with the director and the business manager; basics of the business.

Activity #4: Purchase needed cotton: While the business can currently fund enough cotton for 150-250 units, it does not have enough cash to purchase the cotton it would need to fill larger-scale orders. Together with currently available funds, Technoserve proposes E50,000 (6,666 USD) to purchase additional cotton. This would fund cotton for 1.5 orders at the 450 unit/300 woman scale. Golden Women needs funding for 1.5 orders because customers may not pay until 45 days after an initial order is filled. After this initial purchase, the business will be able to use sales revenues to purchase additional cotton and will no longer rely on funding.

1E. DESIRED OUTCOMES

Golden Women has the potential to make a significant and measurable impact on Swaziland's rural women. The project aims to achieve the following three core goals by the end of 2011:

Create 200+ new fair wage jobs for Swazi women (at or above the minimum Swaziland handcrafts wage of E 3.23 per hour).

Create 20 leadership jobs (site leader, business manager, or production manager) for Swazi women.

Operate as a self-sustainable business without any need for further funding. Reinvest profits to grow the business.

These new jobs will help women achieve positions of economic stability and allow them to take on an important new role as a breadwinner. Women typically use the money they earn to buy basic household items such as salt and oil, to cover childrens' school fees, or even as extra spending cash to purchase items they may not have previously owned.

1F. PERFORMANCE MEASURES

TechnoServe proposes to track performance using the following metrics:

- Number of women employed on a monthly basis
- Average hourly wage per woman employed
- Number of women in leadership positions
- Total sales (approx monthly sales of E 75,000 needed to employ 300 women; or less if sales are regional, because the 75,000 includes substantial shipping costs)
- Profit (e.g., business must earn profit to be self-sustaining)
- Number of wholesale customers
- Existence of a capacitated business manager by June 2011

1G. DETAILED BUDGET

TechnoServe strongly believes that it can help Golden Women achieve its growth goals. However, TechnoServe cannot currently dedicate the time and resources needed to implement this aggressive growth strategy because the above activities are beyond the scope of the funding TechnoServe receives from any source. With the funding proposed here, TechnoServe will be able to dedicate a resource person for one year to assist Golden Women by playing a direct, hands-on role in assisting the knitters through the entire production process (from sourcing of materials to training of knitters, to controlling quality, to liaising with the market, etc).

In addition, TechnoServe proposes pass-through funding to Golden Women for specific marketing and materials expenses. The detailed

project budget is as follows:

Line Item	Rate	Unit	Total
Salaries		E	236,250
- Business advisor		236,250	/year
Fringe Benefits		E	101,753
- 43.07 percent			
Allowances		E	104,500
- Housing			
- Airfare subsidy (home leave)			
Office Expenses		E	31,440
- Rent, systems, and facil.		2,620	/mo
International Travel		E	27,000
- Transport(regional)		3,000	/trip
- Accommodation / per diems		750	/day
Local Travel		E	12,240
- Mileage @ E2.3/km		170	/trip
Equipment (Cost			